

Allen County

Estimated Economic Contribution of Agriculture, Food, and Food Processing Sectors 6/25/2019

Using the most recent IMPLAN data available (2017) adjusted for 2019, 21 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Allen County economy.¹

These 21 sectors have a total direct output of approximately **\$304.7 million** and support **1,185 jobs** in Allen County. Running the model for all 21 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Allen County Economy					
Contribution Type ²	Employment	% Employment	Total Value Added ³	Total Value Added % of Gross Regional Product ⁴	Output ⁵
Direct Effect	1184.6	14.11%	\$67,109,276	13.06%	\$304,714,593
Indirect Effect	175.9	2.09%	\$14,716,781	2.86%	\$28,925,557
Induced Effect	157.7	1.88%	\$9,952,896	1.94%	\$19,222,876
Total Effect	1518.3	18.08%	\$91,778,953	17.86%	\$352,863,026

As shown in the above table, agriculture, food, and food processing sectors support **1,518 jobs**, or **18.08%** of the entire workforce in the county.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 21 agriculture, food, and food processing sectors is approximately **\$91.8 million**, or **17.86% of the GRP**.

The following tables document the top industries affected by employment and output, as well as a listing of all industries that were analyzed.

¹ Article on building a contribution analysis in IMPLAN that avoids double counting:

<https://implanhelp.zendesk.com/hc/en-us/articles/115002801513-Considerations-of-Contribution-Analysis>

² Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

³ Value added = labor income + indirect business taxes + other property type income.

⁴ GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

⁵ Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **539 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Allen County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	539.4	\$42,312,467
Confectionery manufacturing from purchased chocolate	405.2	\$133,819,672
Other animal food manufacturing	54.9	\$66,716,699
Wholesale trade	39.9	\$7,978,888
All other crop farming	38.4	\$2,066,621
Grain farming	35.2	\$8,831,498
Farm machinery and equipment manufacturing	24.8	\$9,165,207
Real estate	22.9	\$2,712,418
Veterinary services	18.8	\$1,791,344
Truck transportation	18.7	\$2,887,249

The confectionery manufacturing from purchased chocolate sector directly contributes approximately **\$133.8 million** to the Allen County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Confectionery manufacturing from purchased chocolate	405.2	\$133,819,672
Other animal food manufacturing	54.9	\$66,716,699
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	539.4	\$42,312,467
Soybean and other oilseed processing	3.1	\$14,189,737
Oilseed farming	17.6	\$12,774,674
Farm machinery and equipment manufacturing	24.8	\$9,165,207
Grain farming	35.2	\$8,831,498
Wholesale trade	39.9	\$7,978,888
Animal, except poultry, slaughtering	10.8	\$7,113,400
Owner-occupied dwellings	0.0	\$3,731,450

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Allen County economy.

All Agriculture, Food, and Food Processing Sectors		
Sector	Total Employment	Total Output
Oilseed farming	17.6	\$12,774,674.42
Grain farming	35.2	\$8,831,498.15
Vegetable and melon farming	0.2	\$38,377.66
Tree nut farming	0.3	\$42,916.41
Greenhouse, nursery, and floriculture production	0.3	\$49,864.78
All other crop farming	38.4	\$2,066,620.83
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	539.4	\$42,312,465.67
Dairy cattle and milk production	7.8	\$3,062,465.43
Poultry and egg production	0.2	\$165,817.92
Animal production, except cattle and poultry and eggs	5.3	\$458,284.14
Commercial hunting and trapping	0.7	\$14,186.90
Support activities for agriculture and forestry	8.1	\$1,050,137.64
Other animal food manufacturing	54.9	\$66,716,697.69
Soybean and other oilseed processing	3.1	\$14,189,736.37
Confectionery manufacturing from purchased chocolate	405.2	\$133,819,671.63
Animal, except poultry, slaughtering	10.8	\$7,113,399.98
Bread and bakery product, except frozen, manufacturing	4.9	\$581,600.43
Frozen cakes and other pastries manufacturing	0.3	\$44,717.22
Farm machinery and equipment manufacturing	24.8	\$9,165,206.91
Veterinary services	18.8	\$1,791,343.93
Landscape and horticultural services	8.3	\$424,906.46

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Allen County, the retail sector was omitted.